

DEPARTMENT OF STATE

THE SECRETARY

74 2+3 distributed
to Eisenhower
McCarthy
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December 12, 1958

Personal and Private

MEMORANDUM OF CONVERSATION WITH THE
PRESIDENT

PARTICIPANTS: The President
The Secretary
The Under Secretary
General Goodpaster
Major Eisenhower
Mr. Greene



1. I showed the President the draft of the statement which I proposed to make following our discussion, and with the changes in the last two paragraphs shown on the attached copy, he approved it. (Mr. Hagerty was present for this item.)

2. The President expressed discouragement at the level of the efforts the other NATO countries are making to the common defense and expressed the belief that at the forthcoming Ministerial Meeting in Paris I should chide them a bit. He suggested that the other NATO Governments be reminded that the United States is maintaining the principal deterrent power and, through the Mutual Security Program a great portion of the expense of the defense posture of the free nations around the periphery of the Sino Soviet bloc. Notwithstanding this, the President felt that our allies are not manning their own fronts.

There was some discussion, in which Mr. Herter participated, of the extent of the shortfalls of the NATO countries' defense efforts. Mr. Herter noted that these are expected to some extent in all the European countries and noted that while the United States might have to transfer two battle groups from existing divisions to the status of service troops to man the NATO atomic stockpiles, during 1959, this did not contemplate reduction in our overall force strength in Europe. The President recalled that when he first went to SHAPE, there had been talk that the United States assistance to the NATO countries' defense efforts would be for a "maximum" of five years. Since then the NATO countries have come to depend overly on the United States; the President reiterated that it is time for us to begin to wean our allies from overdependence upon us and to encourage them to make better efforts of their own.

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PORTIONS EXEMPTED
E.O. 12356, SEC. 1.3 (1)(3)(5)

Authority

MR 81-11 #2

State letter 2/8/82

NLE DATE 4/5/82

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In this connection I showed the President Ambassador Burgess' estimate (POLTO 1646) and General Norstad's message to me (ALO 1111). The President expressed his agreement that we should not back down from the commitments undertaken in MC 70, and approved our adhering to those goals for calendar year 1959. The President alluded to the pressures on the U.S. fiscal position and the difficult problem this posed for our budget. I said that notwithstanding these, I thought it important that we take this position because among other reasons it would be dangerous if we allowed the impression of great United States strength to be dissipated.

3. Turning to Berlin, I showed the President Chancellor Adenauer's message to me (Bonn's 1245). The President agreed with the thoughts that the Berlin and all German questions should be in the first instance dealt with separately, that we should not enter into negotiations under the ultimatum of a time limit, and that we must insist on the validity of existing agreements until they are modified also by agreement.

I noted that I would be meeting with the British, French and German Foreign Ministers on Sunday to discuss these questions.

4. I also noted that the first meeting of the US-Canadian Joint Cabinet Defense Committee, which was established during the President's visit to Ottawa in July, would be held in Paris on December 15.

5. I said that I would also be seeing General de Gaulle on Monday. I said that he is beginning to be troublesome in his desire to be in on everything all around the world.

6. I said that Mr. Dillon had informed me of Admiral Strauss' call to Governor Herter about oil imports. I expressed serious misgivings about the idea, attributed to Secretary Strauss, of a compensating import excise tax on oil. Mr. Herter participated in the ensuing discussion during which it was pointed out that the Department of Justice insists on the voluntary program for restriction of oil imports not continuing, that a system of mandatory quotas would replace it effective January 1, and that rather than leave the whole matter up to Congress, we in the State Department felt that with three months time we could work out an agreement with Canada and Venezuela which would avoid violations of our agreements on trade. The President said he would prefer almost any agreement to leaving the matter up to Congress.

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John Foster Dulles

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